

LAW OFFICES

JOHN H. BROADLEY & ASSOCIATES, P.C.

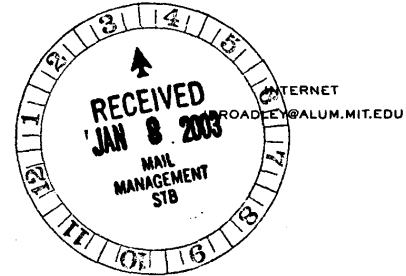
CANAL SQUARE
1054 THIRTY-FIRST STREET, N.W.
WASHINGTON, D.C.
20007

January 8, 2003

(202) 333-6025
(202) 333-5685 FAX

JOHN H. BROADLEY

Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street NW, Suite 700
Washington, D.C. 20423-0001



DID# 0102110002

Re: Finance Docket No. 34308, Central Midland Railway Company -- Exemption
-- Lease and Operate -- Union Pacific Railroad Company Lackland
Subdivision.

Dear Mr. Williams:

Enclosed for filing please find an original and 10 copies of a Notice of Exemption in the captioned case along with an original and ten copies of a caption summary for publication in the Federal Register. I have also enclosed an additional copy of the filing which I would appreciate your file stamping and returning to me with our messenger.

Also enclosed is a filing fee in the amount of \$1300.00 and a 3.5 inch diskette with both documents in WordPerfect format.

If you have any questions concerning this matter, please do not hesitate to call me at the above number.

ENTERED
Office of Proceedings

JAN 08 2003

Part of
Public Record

Yours very truly,

John Bradley
John Bradley

Enclosure

FEE RECEIVED

JAN 08 2003

SURFACE
TRANSPORTATION BOARD

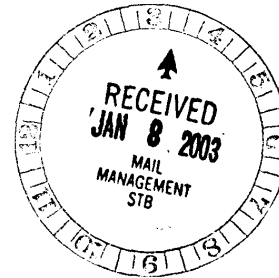
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JAN 08 2003

TRANSPORTATION BOARD

207016

BEFORE THE
SURFACE TRANSPORTATION BOARD
Washington, D.C.



Central Midland Railway Company -- Exemption --)
Lease and Operate -- Union Pacific Railroad)
Company Lackland Sub-Division)

Finance Docket No. 34308

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Office of Proceedings

JAN 08 2003

NOTICE OF EXEMPTION OF LEASE AGREEMENT

Part of
Public Record

Central Midland Railway Co. ("Central Midland") hereby gives notice pursuant to

49 CFR 1150.42 that it has entered into an agreement with Union Pacific Railroad Company ("UP")

to lease and operate part of UP's Lackland Sub-Division and related industrial tracks in the state of

Missouri. The following information is given as required by 49 CFR 1150.43:

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JAN 08 2003

TRANSF

(a) The full name and address of the Class III rail carrier applicant:

Central Midland Railway Company
101 West Ohio Street
Suite 1600
Indianapolis, IN 46204

(b) The name address and telephone number of the representative of the applicant
who should receive correspondence:

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SURFACE
TRANSPORTATION BOARD

John Broadley
John H. Broadley & Associates
1054 31st Street NW, Suite 200
Washington, D.C. 20007
Tel. 202-333-6025

(c) A statement that an agreement has been reached or details when an agreement
will be reached:

A lease agreement has been reached between Central Midland and UP.

(d) The operator of the property:

Central Midland will operate the property.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property to the Class III rail carrier.

Union Pacific Railroad Company
1416 Dodge Street
Omaha, NE 68179

(2) The proposed time schedule for consummation of the transaction:

The parties contemplate consummating the transaction on January 19, 2003.

(3) The mileposts of the subject property including any branch lines:

The subject property is a line of railroad running between MP 10.35 at Rock Island Junction to MP 19 west of Vigus, Missouri and related industrial tracks.

(4) The total route miles being acquired:

The line of railroad Central Midland will acquire under the lease comprises 8.65 miles.

(f) A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states:

The required map is attached as Exhibit No. 1.

(g) A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier so as to require processing under 1150.45:

The required certificate is attached as Exhibit No. 2.

Certification pursuant to 49 CFR 1150.42(e) is not required as the projected annual revenues of the rail line to be leased, together with the acquiring carrier's projected annual revenue, does not exceed \$5 million.

Respectfully submitted,

CENTRAL MIDLAND RAILWAY COMPANY

By: John Broadley

One of its attorneys

John Broadley

(DC Bar No. 238089)

JOHN H. BROADLEY & ASSOCIATES

1054 31st Street NW, Suite 200

Washington, D.C. 20007

Tel. 202-333-6025

Fax 202-333-5685

Dated: January 8, 2003

UNION PACIFIC LACKLAND SUBDIVISION

Exhibit No. 1

Industrial Tracks
Included in Lease

Branch Line
Not Leased

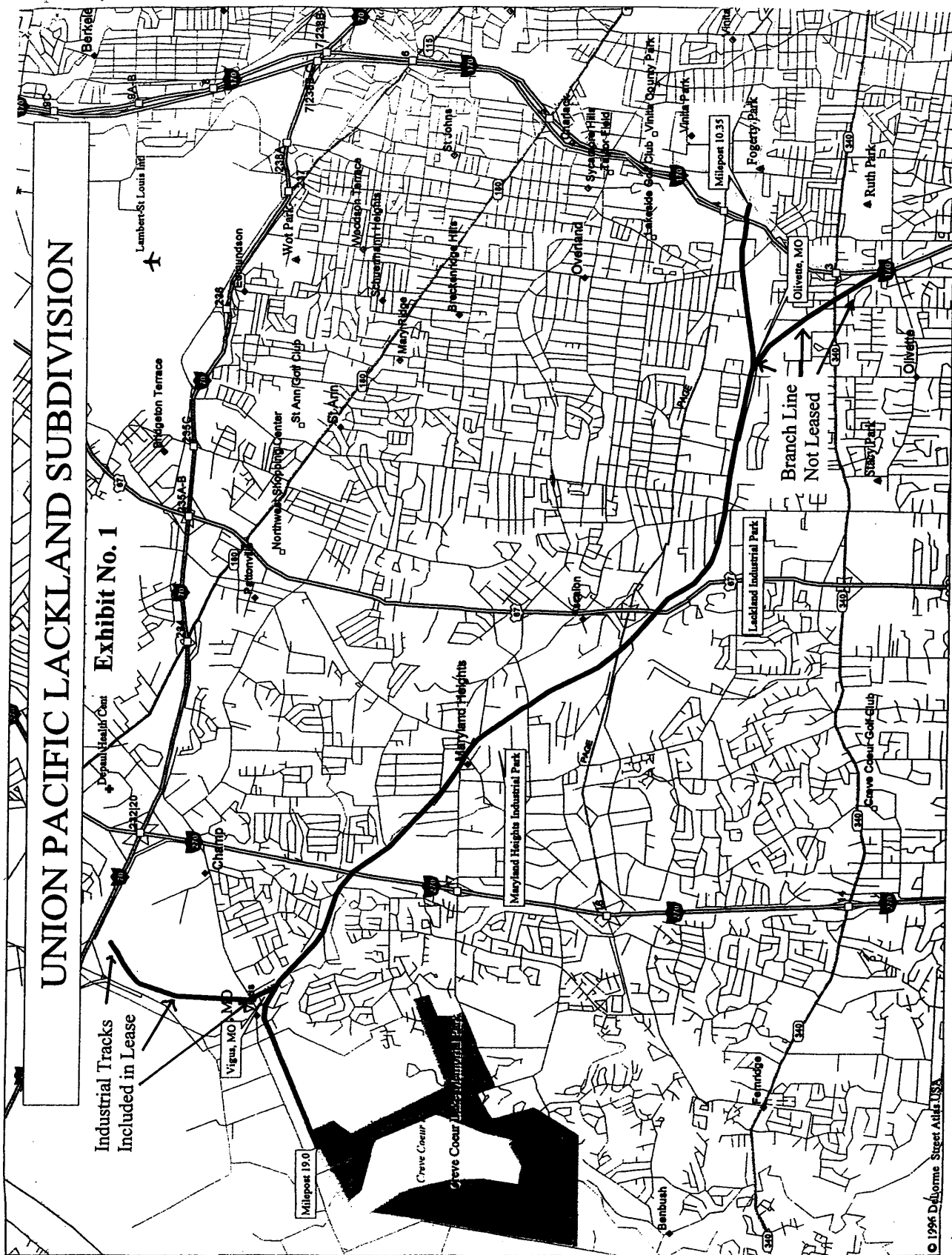
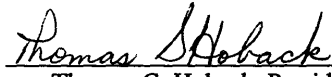


Exhibit No. 2
(Certification Regarding Revenues)

I hereby certify that the projected annual revenue of Central Midland Railway Company when added to the projected annual revenue that Central Midland Railway Company will derive from the lease and operation of the subject properties, will not result in Central Midland Railway Company becoming a Class II or Class I rail carrier under the Surface Transportation Board's regulations.



Thomas G. Hoback, President
Central Midland Railway Company

Dated: 1/7/03

VERIFICATION
(28 USC 1746)

I declare under penalty of perjury that the foregoing Notice of Exemption for Lease and Operation is true and correct. Further, I certify that I am qualified and authorized to file this Notice of Exemption.

Thomas G. Hoback
Thomas G. Hoback
President Central Midland Railway Company

Executed on 1/7/03

SURFACE TRANSPORTATION BOARD

Notice of Exemption

STB Finance Docket No. 34308

Central Midland Railway Company -- Exemption Lease and Operate -- Union Pacific Railroad
Corporation Lackland Sub-Division

Central Midland Railway Company has filed a notice of exemption to lease and operate Union Pacific Railroad Company's line between Milepost 10.35 at Rock Island Junction, Missouri and Milepost 19 west of Vigus, Missouri. Comments must be filed with the Board and served on John Broadley, John H. Broadley & Associates, 1054 31st Street NW, Suite 200, Washington, D.C. 20007, Tel. 202-333-6025.